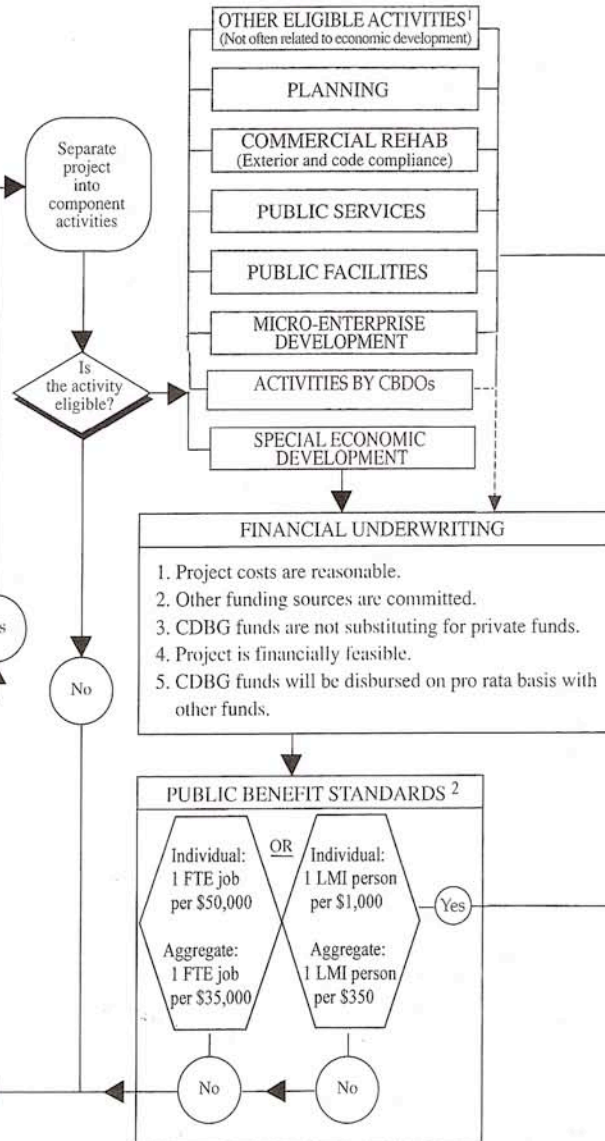


USING CDBG FUNDS FOR ECONOMIC DEVELOPMENT ACTIVITIES: THE PROCESS

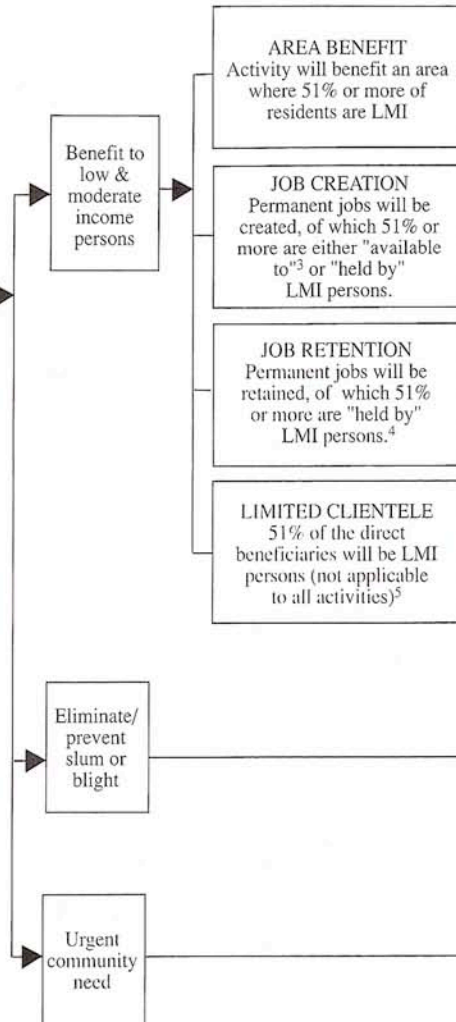
STEP 1: IDENTIFY SOURCES & USES OF FUNDS



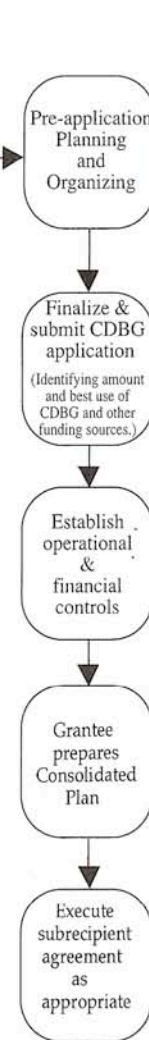
STEP 2: DETERMINE ELIGIBILITY OF ACTIVITY



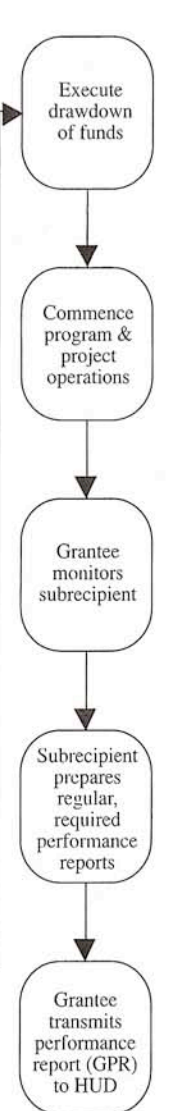
STEP 3: DETERMINE IF ACTIVITY WILL MEET A NATIONAL OBJECTIVE



STEP 4: SECURE FUNDS



STEP 5: IMPLEMENT & MONITOR PROJECT



OKM Associates, Inc. and FinePoint Associates, LLC Modified 2010

1. Other eligible activities include: Acquisition, disposition, clearance, non-federal share, relocation, loss of rental income, architectural barriers, utilities, housing rehab., code enforcement, historic rehab., administration, technical assistance, housing services, lead paint, higher education, tax foreclosed housing, home ownership, and special activities.

2. Activities qualifying under certain categories must meet public benefit standard (e.g., Special Economic Development (SED), Activities by CBDOS that would otherwise qualify under SED, public improvements where < 1 job is created per \$10,000 of CDBG)

3. To be considered "available to" LMI persons, jobs should not require more than 12 months training beyond High school, and LMI persons must be given first consideration for filling jobs.

4. Jobs retained must be held by LMI persons at the time of the assistance, or be expected to turnover to LMI persons within two years.

5. The following are excluded: housing development, activities which benefit all the residents of an area, and activities in which the benefit is job creation or retention.

NOTE: Projects using CDBG must meet Davis-Bacon wage standards, environmental regulations and historic preservation requirements.